

# **26th ANNUAL REPORT**

**2007-2008**

Report  junction.com

# **PIX**

**PIX TRANSMISSIONS LIMITED**

**J-7, M.I.D.C. HINGNA ROAD, NAGPUR - 440 016.**

**Pix Transmissions Limited**

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**PIX TRANSMISSIONS LIMITED**

**DIRECTORS :**

SHRI AMARPAL SETHI (Chairman & Managing Director)  
SHRI SONEPAL SETHI (Joint Managing Director)  
SHRI SUKHPAL SINGH SETHI  
SHRI RISHIPAL SETHI  
SHRI JOE PAUL  
SHRI DARSHAN SINGH CHADHA  
SHRI JOSE JACOB  
SHRI HARESH EIDNANI  
SHRI PRADEEP HAVNUR  
SHRI AQUEELA. MULLA

**COMPANY SECRETARY**

SHRI SHYBU VARGHESE

**AUDITORS**

M/s. S. C. BANDI & CO.  
[Chartered Accountants, Mumbai]

**BANKERS**

1. STATE BANK OF INDIA
2. STATE BANK OF HYDERABAD

**REGISTERED OFFICE & WORKS :**

**(UNIT NO. 1)**

J-7, MIDC, HINGNA ROAD, NAGPUR - 440 016  
Tel. : (07104) 236501-504  
Fax : (07104) 236505/506  
Website : <http://www.pixtrans.com>

**(UNIT NO. 2)**

K-36, K-37 & K-38, MIDC, HINGNA ROAD, NAGPUR-440 016

**(UNIT NO. 3)**

BAZARGAON, AMRAVATI ROAD, NAGPUR-440 023

**MUMBAI OFFICE :**

PALS BUILDING, 1<sup>ST</sup> ROAD, TPS IV,  
BANDRA - [WEST], MUMBAI - 400 050  
TEL. : (022) 26404556 / 26402229  
FAX : (022) 26402225

**SHARE TRANSFER AGENT**

INTIME SPECTRUM REGISTRY LIMITED  
C-13, PANNALAL SILK MILLS COMPOUND,  
L.B.S. MARG, BHANDUP (WEST),  
MUMBAI - 400 078.  
TEL. : (022) 25963838, FAX : 25946969  
E-MAIL : [isrl@intimespectrum.com](mailto:isrl@intimespectrum.com)

**Pix Transmissions Limited****NOTICE**

Notice is hereby given that the TWENTY SIXTH ANNUAL GENERAL MEETING of PIX TRANSMISSIONS LIMITED will be held at the Registered Office of the company at J-7, MIDC, Hingna Road, Nagpur at 9.30 A.M. on Wednesday the 24<sup>th</sup> September 2008 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Profit and Loss Account for the Year ended 31st March, 2008 and the Balance Sheet as on that date together with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Rishipal Sethi who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Joe Paul who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Haresh Eidnani who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and to fix their Remuneration.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**AMARPAL SETHI**  
(Chairman & Managing Director)

**PLACE : MUMBAI**

**DATED : 30<sup>TH</sup> JUNE 2008**

**MUMBAI OFFICE :**

PALS BUILDING, 1<sup>ST</sup> ROAD, TPS IV  
BANDRA - WEST, MUMBAI - 400 050.

**NOTES**

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company at the registered office not less than 48 hours before the time of Meeting.
2. Register of Members and the transfer books of the Company will remain closed from Monday the 22<sup>nd</sup> September 2008 to Wednesday the 24<sup>th</sup> September 2008 (Both days inclusive)

3. Members desiring any information on the Accounts are requested to write to the Company at least one week before the Meeting so as to enable the management to keep the information ready. Replies will be provided only at the meeting.
4. Information pursuant to Clause 49 of the Listing agreement for Re-appointment of Directors.

<b>Name of the Directors</b>	<b>Shri Rishipal Sethi</b>
<b>Date of Birth</b>	15.06.1973
<b>Date of Appointment</b>	29.12.2004
<b>Qualification</b>	B.Sc. (Elec. Engg, USA)
<b>Directorship In other Companies in corporate in India</b>	No
<b>Chairman / Member of other committees of Companies</b>	No

<b>Name of the Directors</b>	<b>Shri Joe Paul</b>
<b>Date of Birth</b>	08.03.1962
<b>Date of Appointment</b>	01.05.2000
<b>Qualification</b>	B.Com., MIRPM
<b>Directorship In other Companies in corporate in India</b>	No
<b>Chairman / Member of other committees of Companies</b>	No

<b>Name of the Directors</b>	<b>Shri Haresh Eidnani</b>
<b>Date of Birth</b>	12.10.1964
<b>Date of Appointment</b>	21.09.1999
<b>Qualification</b>	B.Sc.
<b>Directorship In other Companies in corporate in India</b>	No
<b>Chairman / Member of other committees of Companies</b>	No

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**AMARPAL SETHI**  
(Chairman & Managing Director)

**PLACE : MUMBAI**  
**DATED : 30<sup>TH</sup> JUNE 2008**

## Pix Transmissions Limited

### DIRECTORS REPORT

To  
The members of Pix Transmissions Ltd.,

The directors are pleased to present the TWENTY SIXTH ANNUAL REPORT and the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2008, together with notice of Annual General Meeting.

#### **Financial Results**

Given below is the financial performance as reflected in the Audited Accounts for the year ended 31<sup>st</sup> March 2008.

	[Rs. In Lacs]	
	As on 31.03.2008	As on 31.03.2007
Sales	16545.16	14292.98
Other income	23.14	17.90
	<u>16568.30</u>	<u>14310.88</u>
Profit before Depreciation	1416.70	1292.58
Depreciation	<u>1139.18</u>	<u>854.04</u>
Profit before tax	277.52	438.54
Less : Provision for taxation		
a) Current	30.00	180.00
b) Fringe Benefit Tax	20.00	20.00
c) Deferred Tax	<u>76.40</u>	<u>97.16</u>
	<u>126.40</u>	<u>297.16</u>
	151.12	141.38
Less : Wealth Tax paid	<u>0.37</u>	<u>0.28</u>
Total :	150.75	141.10
Balance of Profit Brought down	1351.34	1210.24
Amount available for appropriation		
& carried to Balance sheet	<u>1502.09</u>	<u>1351.34</u>

#### **DIVIDEND:**

The company has not declared dividend since huge investments are required for the massive expansion programme. Also no dividend is being given on preference shares.

#### **INCREASE IN SHARE CAPITAL:**

The Directors and Promoters were allotted convertible warrants during the year under review.

Consequent to the above, the issued, subscribed and paid up share capital of the company increased from Rs. 9,80,00,000.00 (98,00,000 Shares) to Rs. 10,12,52,000.00 (1,01,25,200 Shares) as on March 31, 2008.

### **PROCEEDS OF PREFERENTIAL ISSUE :**

The company issued shares and warrants on preferential basis to Promoter Directors and their relatives. The company has mobilized total funds to the extent of Rs.182.11 Lacs, was deployed towards expansion of R&D, manufacturing facilities and acquisition of a new plot of land.

### **SUBSIDIARIES:**

1. Pix Europe Limited - Joint Venture
2. Pix South America Importacao E Exportacao De Correias E Mangueiras Ltda
3. Pix Middle East FZC, UAE are Subsidiaries of the Company.

### **MANAGEMENTS DISCUSSIONS AND ANALYSIS**

The particulars as required by Clause 49 of the Listing Agreement is provided in the Annexure to this report.

### **CORPORATE GOVERNANCE:**

Pursuant to clause 49 of the listing Agreement with the Stock Exchange, Management Discussion and Analysis Report, Corporate Governance Report and Certificate on Corporate Governance are annexed to this report.

### **DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the requirements of Section 217 (2AA) of the Companies Act, 1956, the Board of Directors confirms that:

In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;

The accounting policies which have been selected have been applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2007-08 and of the profit of the Company for that period.

Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

The annual accounts have been prepared on a going concern basis.

### **PUBLIC DEPOSITS:**

The Company has not invited and accepted deposit from the public during the financial year ended 31<sup>st</sup> March 2008.

### **INSURANCE:**

## Pix Transmissions Limited

The assets of the company are adequately insured against the risk of fire and other risk.

### PARTICULAR OF EMPLOYEES:

Under the provision of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of employees are set out in the Annexure to the Directors' report.

### DIRECTORS:

To appoint Directors in place of Shri Rishipal Sethi, Shri Joe Paul, Shri Haresh Eidnani, Directors of the Company who retire by rotation and being eligible offer themselves for re-appointment.

### AUDITOR:

M/s. S. C. Bandi & Co. Chartered Accountants, Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Members are requested to re-appoint statutory auditor and fixed their remuneration.

### AUDITORS REPORT

The notes forming part of the accounts are self-explanatory and do not call for any further clarification under Section 217(3) of the Companies Act, 1956.

### ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation towards all associates including Customers, Collaborators, Government Agencies, Financial Institutions, Bankers, Suppliers, Shareholders, Employees and other who have reposed their confidence in the Company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**  
**AMARPAL SETHI**  
 Chairman & Managing Director

Place : Mumbai

Date : 30.06.2008

### MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Today, we are the fourth largest economy in the world in terms of purchasing power parity, the third largest in Asia, and the second largest among the emerging nations. With GDP growth at over 9% annually, India is one of the few markets that have enormous potential for growth and earnings in practically all sectors. There is no let up from the Government on the reform process which has spurred the economy.

These developments at the macro level will have a positive impact on your company

### DISTRIBUTION OF REVENUE:

- 1) 30% Cost of Goods Sold

- 2) Administrative/Setting expenses
- 3) Employee expenses
- 4) Manufacturing expenses
- 5) Interest & finance charges
- 6) Depreciation
- 7) Provision for taxation

### FINANCIAL PERFORMANCE:

Sr. No.	Key Financial Indication	[Figure in Lacs]	
		For the year ended 31st March 2008	For the year ended 31st March 2007
1	Sales & other Income (Net of Excise Duties, Discounts & Incentives)	15365.63	13240.03
2	Profit before Interest, Depreciation and Taxation	2425.52	2010.33
3	Profit before Tax	277.52	438.54
4	Provision for Tax (Net of deferred Tax)	50.00	200.00
5	Profit for the year	227.52	238.54
6	Capital- work progress	723.09	903.36

The Company's Sales & Income during the Financial Year 2007-2008 computed of the following.

	[Figure in Lacs]	
	Current Year	Previous Year
1. Belts	10004.72	9215.00
2. Hoses	5979.00	4631.00
3. End Fitting	400.00	308.00
4. Other Items	161.44	139.00
	<b>16545.16</b>	<b>14293.00</b>

In the financial year 2007-2008, the sales turnover has grown in value terms (with quantitative growth) and the improved economic scenario should give sufficient fillip for a sustaining growth in value and quantitative terms also in the coming year.

Your company has posted a commendable performance. Its net consolidated turnover at Rs.16545.16 Lacs up by 15.75%, with a net profit of Rs. 227.52 Lacs.

The Company has carved a niche for its product in both domestic and international market. The export income during the financial year 2007-2008 Rs.9057.90 Lacs and previous financial year 2006-2007 was Rs.7918.70 Lacs

The domestic income for the financial year 2007-2008 Rs.7487.26 and previous financial year 2006-2007 Rs.6374.30 Lacs

The company has made a capital investment of about

Rs.3771.45 lacs during the financial year 2007-2008. Out of the above amount, expenditure to the tune of Rs.723.09 lacs in the stage of capital work in progress as at 31<sup>st</sup> March 2008. Majority of the capital expenditure was incurred on plant and machinery and for upgrading the production facilities

### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

#### **A. Conservation of Energy**

Energy conservation needs to be looked at in a holier manner. Every step in the direction of conservation of energy is a step forward towards better environment and energy saving.

Main area of energy conservation can be from the following sources :

1. Water
2. Steam
3. Electricity

#### **1.0 Conservation of water**

- 1.1 Installation of Reverse osmosis plant for purification of water required by various utilities in the plant is a classic case by which benefits achieved are as under :
- 1.2 Reduction of total dissolved solid [TDS] of Boiler feed water ensures fewer blow. Fewer blow down losses translate into saving of precious furnace oil which is fuel to Boiler. Reduction of blow down conserves precious WATER rescues, which is very scarce in this region.
- 1.3 Reverse osmosis water has reduced mean time between failure [MTBF] for water heaters of imported Extruder, inside water circulation are for Mills, Calender, and Banbury etc. Lower down time helps better utilization of machines.
- 1.4 R.O. Plant has also ensured good quality of water availability for drinking water purposes. This has amply demonstrated the caring attitude of the company towards better health for all "PIXIANS".
- 1.5 The Company is also switching over to rainwater harvesting and for this one construction has already been made. This will help retain rainwater in our area only. This will conserve water.

#### **2.0 Conservation of Steam**

- 2.1 Steam is generated by burning furnace oil. Waste heat of vulcanizing area and from steam traps are used to pre-heat Boiler feed water through heat exchanger for reduction of consumption of furnace oil.
- 2.2 Heat recovery from Flash steam of Boiler blow down is also used to pre-heat Boiler feed water through heat exchanger for reduction of consumption of furnace oil.

#### **3.0 Conservation of electricity**

- 3.1 Monitoring and maintaining electrical power factor to near unity level has contributed to saving in electricity.
- 3.2 Conventional lighting systems in plant and office area being replaced by energy efficient electronic lighting system. This will also reduce electrical energy

- 3.3 Seasonal switching off of cooling tower fans, water chiller have significantly contributed to savings of electrical energy.
- 3.4 Monitoring and maintaining system power factor to near unity level has contributed to saving in electricity consumption.
- 3.5 Improvement in water circulation systems and seasonal switching off of cooling tower fans and water chiller have significantly contributed to savings in electrical energy.
- 3.6 Impact of measures on reduction of energy, consumption and consequent impact on the cost of production of goods.
- 3.7 The consumption of furnace oil and electricity per ton of production has reduced considerably.
- 4.0 Supply of better quality water and reduction of consumption of water steam / furnace oil and electricity have improved consumption ratio with respect to per ton of finished product, thereby conserving energy.

- I. The Major sources of energy in the company are :  
1. Furnace Oil 2. Electricity

#### **1. Conservation of Furnace Oil:**

- a. Waste heat recovery systems have been introduced in pot and press section. The waste heat is utilized for pre-heating of boiler feed water.
- b. Dual heating system for furnace oil has been incorporated in boiler firing system.

Above improvements incorporated in steam generation and distribution has resulted in improvement in steam to fuel ratio.

### **TECHNOLOGY ABSORPTION:**

Efforts made in technological absorption were carried out by the company. After total introduction of new products the same will be absorbed and maintained for higher productivity and better quality.

### **FOREIGN EXCHANGE EARNINGS & OUTGO:**

Particulars regarding foreign exchange earnings are presented in schedule 16 Notes to Account and outgo are presented in schedule 16 Notes to Account of the Audited Account. The Company has retained its status as a net forex earner.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**  
**AMARPAL SETHI**  
Chairman & Managing Director

**Place : Mumbai**  
**Date : 30.06.2008**



## Pix Transmissions Limited

### MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Indian economy after achieving a high growth rate of 9.6% of in the year 2006-07 and an estimated growth rate of 8.7% in the year 2007-08 has shown moderation during the current year, which is reflected in the index of Industrial Production. The manufacturing sector has been affected by high inflation, global slowdown and an appreciation of the rupee. While interest rate have impacted consumer demand in many industries, leading to a slowdown in corporate investment, the appreciating rupee and the financial crisis in other developed countries have had an impact on the service sector. With no compensating growth in agriculture, the economy overall has to put up with a lower growth rate for the time being. With the Government's concern over the risk of high inflation, the balance between inflation and growth seems to be shifting in favour of the former.

#### Industry Structure and developments

Changing economic and business conditions, rapid technological innovation, proliferation of the internet, and globalization are creating an increasingly competitive market environment that is driving corporation to transform the manner in which they operate.

Customers are increasingly demanding improved products and services with accelerated delivery times and at lower prices. To adequately address these needs, corporations are focusing on their core competencies and using outsourced technology service providers to help improve productivity develop new products conduct research and development activities, reduce business risk, and manage operations more effectively.

The positive aspect of India's growth story is the extent to which it has been driven by widespread domestic consumer demand, which accounts for over 65% of GDP. This is very different from China's growth where the impetus is from export and huge annual increases in both public and private investments. Economists believe that the anchor of domestic demand in India creates greater stability for the growth process and tends to immunize the country from global cycles relative to an export and investment-intensive China.

#### Awards, Certification & Recognition

The Company has continuously received Export Award for highest Export in our products from CAPEXIL. Also Maharashtra Government has given us Export Award for highest exports.

### RESOURCES

#### Manufacturing

The Company is continuously expanding the manufacturing capacity by adding more machinery. Also one more plot of land has been acquired for installing mixing plant.

#### Human Resources

We have been able to attract and retain talent pool which is the "best in the industry" various human resources interventions have been initiated in order to build excellence.

#### Shaping the Future

Shaping the future is about assuming responsibility for it, or taking a leading position for it. Our leadership emanates from our global aspirations, directing our actions to attain this status. Today, we have a presence across more than 50 countries in all five continents. Our pride lies in the fact that we are able to understand customer requirements and serve customers in diverse geographies.

In doing all this, we would like to remind ourselves that our customers remain a significant part of our success. Customer satisfaction is a continual process. Our investments into R&D, in expanding our manufacturing capacity, and the sheer resource base in terms of manpower (which is one of the largest in this industry) is testimony to our commitment to customers.

### CORPORATE GOVERNANCE

Corporate Governance sets forth guidelines for maintaining and sustaining a transparent, information oriented culture wherein authority and responsibilities are co-existent and co-extensive. It also provides guidelines on accountability of various position within the organization. These values govern not only the Board of Directors, but also the management and the employees of the Company. This Governance protect and balances the interests of all stakeholders thereby enhancing shareholder value.

**For and on behalf of the Board of Directors**

**Amarpal Sethi**  
Chairman &  
Managing Director

Place : Mumbai

Date : 30<sup>th</sup> June 2008

**Pix Transmissions Limited****REPORT ON CORPORATE GOVERNANCE**

In compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, the company has been incorporated for the last few years a separate section on Corporate Governance in the Annual Report. The Share holders and investors of the Company would have found the information informative and useful.

The Company's policies on the Corporate and due compliance report on specific areas wherever applicable for the year ended 31<sup>st</sup> March 2008 and given hereunder divided into the following areas.

**MANDATORY REQUIREMENTS****1. Company's philosophy on Corporate Governance**

The Company's philosophy on Corporate Governance is aimed at assisting the top management of the Company in the efficient conduct of its business and in meeting its obligations to shareholders. For several years, the Company has adopted a codified Corporate Governance charter, inter alia, to fulfill its corporate responsibilities and achieve its financial objectives.

**2. Board of Directors**

The strength of the Board was ten Directors as on 31<sup>st</sup> March 2008, comprising of three Whole-Time Promoter Directors, two Non-Executive Directors and five non-executive independent Directors.

Sr. No.	Name of the Director	Category / Status	No. of Directorship in other boards as on 31.03.2008 [Refer note below]*	No. of memberships in other board committee as on 31.03.2008 [Refer note below]**
1	Sukhpal Singh Sethi	Executive Promoter Director	—	—
2	Amarpal Sethi [Chairman & Managing Director]	Executive Promoter Director	—	—
3	Sonepal Sethi [Joint Managing Director]	Executive Promoter Director	—	—
4	Joe Paul	Non-Executive Director	—	—
5	Rishipal Sethi	Non-Executive Director	—	—
6	Darshan Singh Chadha	Independent Non-Executive Director	—	—
7	Jose Jacob	Independent Non-Executive Director	—	—
8	Haresh Edinani	Independent Non-Executive Director	—	—
9	Pardeep Havnur	Independent Non-Executive Director	—	—
10	Aqueel A. Mulla	Independent Non-Executive Director	—	—

\* Excludes Directorship in Indian Private Limited Companies membership of managing committee of various bodies.

\*\* Board Committees include chairmanship/membership of Audit committees, shareholder grievance committee and remuneration committee other than Pix Transmissions Limited.

\*\*\* Mr. Amarpal Sethi, Mr. Sonepal Sethi and Mr. Rishipal Sethi are Directors on behalf of M/s. Pix Transmissions Limited in Pix Europe Limited which is a Joint Venture Company, registered in U.K.

\*\*\*\* Mr. Amarpal Sethi & Mr. Sonepal Sethi are Directors on behalf of M/s. Pix Transmissions Limited in M/s. Pix South America Importacao E Exportacao De Correias Mangueiras Ltda a subsidiary company of M/s. Pix Transmissions Limited.

\*\*\*\* Mr. Amarpal Sethi, Mr. Sonepal Sethi and Mr. Rishipal Sethi are Directors on behalf of M/s. Pix Transmissions Limited in M/s. Pix Middle East FZC, UAE. a subsidiary company of M/s. Pix Transmissions Limited.

Non-Executive Directors are eminent professionals with experience in management, finance and law, who bring a wide range of skills and experience to the Board.



## Pix Transmissions Limited

### A. Board meetings and attendance of Directors:

The meetings of the Board of Directors are scheduled well in advance and generally held at Mumbai. The notice convening the meeting and the detailed agenda is sent at least seven days in advance to all the Directors. The Board meets at least once a quarter to review the quarterly performance and financial results.

### B. Number of Board meetings:

During the year from 1<sup>st</sup> April, 2007 to 31<sup>st</sup> March, 2008 the Board of Directors met thirteen times on the following days:

SR. NO.	DATE	BOARD STRENGTH	NO. OF DIRECTORS PRESENT
1	09.04.2007	10	04
2	14.06.2007	10	04
3	27.06.2007	10	09
4	11.09.2007	10	04
5	26.09.2007	10	04
6	06.10.2007	10	04
7	17.10.2007	10	04
8	05.11.2007	10	08
9	21.11.2007	10	04
10	03.12.2007	10	05
11	07.02.2008	10	08
12	13.03.2008	10	05
13	25.03.2008	10	04

### C. ATTENDANCE OF DIRECTORS :

Name of Directors	No. of Board Meetings held	No. of Board Meeting attended	Attendance at the last Annual General Meeting
Sukhpal Singh Sethi	13	13	Yes
Amarpal Sethi [Chairman & Managing Director]	13	12	Yes
Sonepal Sethi [Joint Managing Director]	13	10	Yes
Rishipal Sethi	13	0	No
Darshan Singh Chadha	13	09	No
Jose Jacob	13	07	No
Haresh Edinani	13	05	Yes
Joe Paul	13	04	No
Pardeep Havnur	13	03	No
Aqueel A. Mulla	13	04	No

### 3. Code of Conduct :

The Company has formulated and implemented a code of conduct for Board Members and senior management of the Company, requisite annual affirmations of compliance with the respective code have been made by the directors and senior management of the Company.

### 4. COMMITTEES OF DIRECTORS:

#### i) Audit committee :

ii) The Audit Committee comprises of the following executive and non-executive independent members of the Board:

1. Mr. Haresh Edinani - Chairman
2. Mr. Amarpal Sethi - Managing Director

## Pix Transmissions Limited

Mr. Haresh Eidnani is the Chairman of the Audit Committee. The Company Secretary acts as the secretary to the Audit Committee. The statutory Auditor and General Manager [Accounts] also attend the Audit Committee meetings.

ii) **Terms of reference of the Audit Committee :**

The terms of reference of this committee covers the matters specified for Audit committee under Clause 49 of the listing agreement as well as in Section 292A of the Companies Act, 1956.

iii) **During the year from 01.04.2007 to 31.03.2008 the Audit committee met four times on the following dates :**

1. 26.06.2007
2. 28.07.2007
3. 04.11.2007
4. 06.02.2008

iv) **Attendance of the Directors in the Audit Committee meetings :**

Name of Directors	No. of Meeting held	No. of meeting attended
Mr. Haresh Eidnani	4	4
Mr. Amarpal Sethi – Chairman & Managing Director	4	4
Mr. Jose Jacob	4	4
Mr. Pradeep Havnur	4	4

a) **Shareholders Grievances and Share Transfer Committee:**

This Committee, comprises the following executive, non-executive, independent members of the Board, approves transfer of shares, splitting and consolidation of shares, issuance of duplicate shares and reviewing shareholders complaints and resolution thereof.

Mr. Jose Jacobe	Chairman [Non Executive Director]
Mr. Sukhpal Singh Sethi	Director
Mr. Sonopal Sethi	Joint Managing Director
Mr. Haresh Eidnani	Non Executive Director

The Company has large number of shareholders and it also has Share Transfer Committee, which meets at least twice in a month to approve Share Transfer / Split / Consolidation / Transmission, which are placed at the Board meeting.

Mr. Shybu Varghese has been designated as the "Compliance Officer" of the Company.

During the year ended 31.03.2008, 120 complaints/queries were received upto 31<sup>st</sup> March, 2008. There were no complaints / queries pending reply. There were no Share transfers pending for Registration for more than 30 days as on said date.

b) **Remuneration Committee comprises of following non-executive independent members of the Board:**

1. Mr. Pradeep Havnur
2. Mr. Jose Jacob
3. Mr. Haresh Eidnani

ii) **Broad Terms of reference of the Remuneration Committee:**

- To recommend and review remuneration package of Executive / Non-executive Directors.
- To present report to the Board on remuneration package of directors and others.
- The remuneration committee met twice during the year ended March 31, 2007

iii) **Remuneration to Directors**

Details of Directors meeting fees, commission and remuneration paid / payable to directors during the financial year April 2007 to March 2008 :